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DEPARTMENT OF STATE

Memorandum of Conversation

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DATE: January 16, 1959

10:30 A.M. -

12:45 P.M.

SUBJECT: US-Soviet Relations

PARTICIPANTS: Anastas I. Mikoyan, Deputy Premier of the USSR;
 Mikhail A. Menshikov, Soviet Ambassador;
 Oleg A. Troyanovski, Ministry of Foreign Affairs, USSR;
 Aleksandr Alekseevich Soldatov, Ministry of Foreign Affairs, USSR;
 John Foster Dulles, Secretary of State;
 Christian A. Herter, Under Secretary of State;
 Livingston T. Merchant, Assistant Secretary;
 Llewellyn E. Thompson, American Ambassador to Moscow;

COPIES TO: Edward L. Freers, Director, Office of Eastern European Affairs

S/S - 2	H	Amembassy Moscow for Ambassador Thompson
W	INR	Amembassy London for Ambassador Whitney
G	FE	Amembassy Bonn for Ambassador Bruce
C	NEA	Amembassy Rome for Ambassador Zellerbach
S/P	L	Amembassy Ottawa for Ambassador Wigglesworth
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The Secretary began by asking Mikoyan's reaction to the reception he had received in the United States. The Secretary said that we believed in the right of peaceful demonstration but there were some people who did carry on activities which might seem offensive to guests. He hoped that Mikoyan has recognized that the American people are friendly as well as curious.

Mikoyan said that he had had a chance to know something about the American people 22 years ago. He had received a good impression this time in spite of the activities of some immigrants. He felt the Russians and Americans could live together in peace and friendship. Twenty-two years ago he had traveled without a bodyguard, this time there was a great deal of security precaution. It would have been better without this, but apparently this had been impossible.

The Secretary remarked that it showed how important he was now.

Mikoyan rejoined by saying that it showed the change in times.

Mikoyan remarked that he had gotten on better with the press than he had expected -- either they had become better or he had been able to talk better with them. Businessmen had also been interested in his proposals. 22 years ago he had seen only a few officials of General Motors and Ford. This time he had seen many influential business leaders who had shown great interest. He had met Henry Ford the last time. This time he had met Henry Ford III, who was also a pleasant man. He had met David Rockefeller, who had expressed his regrets that the Moscow press and some people there seemed to think his family was war-mongering and

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wanted

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wanted a deterioration in Soviet-American relations. Rockefeller had told Mikoyan that his family wanted an improvement in these relations no less than any other.

The Secretary said he, himself, was tarnished with the charge of being a leading warmonger. Mikoyan remarked that he would not use the word "tarnished". The Soviets considered the Secretary as the leading strategist of the cold war. The Secretary suggested that when Mikoyan returned to Moscow, he might review the Soviet propaganda line and might well find several respects in which it could be improved. Mikoyan said he would do this on the basis of reciprocity.

The Secretary made the point that in the conversation with Mikoyan he might have to dwell on unpleasant topics. It was important to have a full and frank exchange of views. His attitudes were not personal ones but were basically shared by the people of the United States. Under our form of society the individualistic viewpoint was not the governing one and individuals did not hold public office forever. This might give some satisfaction to the Minister but it would be short-lived because our policies would continue to go on.

Mikoyan said he understood the Secretary was referring to our Constitutional provision for a four-year incumbency by the executive.

The Secretary said if a different party came to power Mikoyan could be sure its viewpoint would be the same. The Secretary said he did not think it would change as long as present conditions prevailed. He recalled that at the time of the Berlin blockade and airlift, when Governor Dewey had just been nominated and was expected to win the forthcoming elections, the first action taken by the Governor was to associate Senator Vandenberg and Secretary Dulles with him in a statement of complete support for the Democratic administration's position on Berlin. The Minister would be under a great illusion if he felt that the present attitude concerning Berlin would change with a change in administration. Mikoyan declared that the Soviets openly expressed the view that they saw no difference between the Democratic and Republican Parties, but he thought the position required a change from a rigid to a more flexible attitude.

The Secretary pointed out that he had been under constant criticism from our Allies about inflexibility. Mikoyan said he had noted this and had noted that this criticism had had some influence on the Secretary. The Secretary said that this related perhaps to the formula for the reunification of Germany through free elections, approved by the Summit Conference in July 1955. He wanted to say that we did not alter an agreed policy unilaterally. Mikoyan asked whether we did not, however, change policies by agreement.

The Secretary made the point that no policy was permanently unchangeable. We did not alter an agreed policy unilaterally but were always capable of changing it if it were reasonable to do so. He wanted to make clear that no formula about Berlin would be acceptable if the Soviets had in mind attempting, by working through the East German regime, to impose its viewpoint. This could only lead to serious consequences.

Mikoyan

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Mikoyan said that what the Soviets had suggested was a six-month period for negotiating the problem. He wanted to make it very clear that the Soviet Union wanted to obtain no privileges in the situation -- either for itself or the German Democratic Republic -- nor did it want to deprive the United States of anything. It wanted West Berlin to be neutralized and demilitarized under guarantees by the Great Powers or, if necessary, by the UN. If we were agreeable, a permanent commission could be established to guarantee non-interference and freedom of access from all the sides. It welcomed other proposals that were based on non-interference. If nothing happened in six months, the Soviets would turn over their powers to the GDR -- a state that has existed for seven years and on whose territory the lines of communication lie. The Soviet Union did not seek changes in the internal system of West Berlin. It had no illusions that it could be changed. The population could live under capitalism if it desired. Berlin (sic) could become a testing ground for cooperation between us instead of a hot-bed of aggression. It could be a meeting spot for countries to come together.

The Secretary stressed that we were prepared to negotiate but not only about Berlin and about a peace treaty, but about all the questions involved. By other questions he meant steps to bring about reunification. The Soviet peace treaty draft was a call to perpetuate the division of Germany. The German problem should be discussed without any diktat as to subjects. Interrelated with all this -- Berlin, peace treaty and East Germany -- was the problem of European security. This close link was recognized at the Geneva Summit meeting and the problem of European security should be discussed too.

The Secretary said the United States understood the Soviet preoccupations about Germany. If we could agree on reunification or a peace treaty, necessarily considered in the context of Europe as a whole, the Soviet Union could and should be given assurances against the rebirth of German militarism. The United States wanted no political or strategic advantage from the situation.

The Secretary said the German problem was becoming more difficult to solve and any repetition of the June 1953 outbreak which might take place would be occurring in much more dangerous circumstances. We recognized there were good and bad Germans and that the situation that evolved after World War I might evolve again.

Mikoyan said he saw no reflection of our sympathetic attitude toward the Soviet Union in our proposals. In fact, the Soviet leaders interpreted them in just the opposite way. They believed that lack of a peace treaty contributed to the perpetual division of Germany. Their draft did not assure reunification by itself but would bring conditions which would help rather than hinder reunification. Soviet objection to discussing reunification was not based on a position of diktat. Reunification was something to be brought about in the first instance by the two Germanies. They could be assisted but not replaced. The Federal Republic has refused to talk and has been supported in this by the United States. To put Adenauer's position crudely, he wanted to try to annex the GDR; liquidate its socialist regime; remain in NATO; continue atomic rearmament; and bring about conditions which would allow German revanchists to become active when they would be strong enough to do so. The GDR would not want to

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liquidate the socialist regime, but would resist. And, it was a Soviet ally in the Warsaw Pact. The Soviets believed that the aim in raising the problem as we raised it was to set our countries at loggerheads.

Mikoyan said he had had many talks with Adenauer who showed no haste for reunification since he realized his approach to it was unreal and he could not accept any other approach. He preferred to wait until West Germany became stronger and when with the help of the United States, he could speak in a different tone. Mikoyan asked whether the United States position was that it did, in fact, want German reunification through annexation of the GDR to West Germany and did want the latter to remain armed and in NATO while the GDR withdrew from the Warsaw Pact -- and in that event was ready to reassure the Soviets by a type of pact which it now rejected.

The Secretary said that he had tried to indicate in his press conference our complete philosophy about dealing with the German problem. We had to take into account the special position of countries lying next door to Germany and could not press any solution. But he wanted Mikoyan to have a chance to read carefully what the President and he had said. While he did not expect the Soviet Union to accept this to any extent now he would welcome the chance to expound fully on it. He repeated that any reunification of Germany should be accompanied by security arrangements, treaties, or the like, which would bring us together, along with Germany. He did not think West Germany objected to this and he referred to the treaty we had proposed in 1946.

Mikoyan replied that we had had much in common in the 1945-46 period and our proposals had been more dramatic then than now. He asked whether the Secretary had anything more specific or positive to say than what had been said at the press conference. The direction of the latter had been interesting but he did not know where it led. He did not like the President's statement that we believed in Adenauer and that what had taken place in 1914 could not be the basis of our present policy.

Mikoyan said, reverting to an earlier topic, that the events of June 1953 could not ~~occur again~~ -- not because the West would not attempt to repeat them but because East Germany was now different. Errors in administration had been made but great changes had taken place in the past five years. Methods of administration and government had improved. There was one socialist party but other parties as well. Unofficially, he could say that they had had to take reparations from East Germany because they did not get them from West Germany. Thus the economic situation had been bad in 1953. The main thing was that the economic situation had improved. This was due to the fact that the Soviets had stopped taking reparations in 1953 and were now paying for all goods from East Germany and covering all occupation expenses. Adenauer had taken a more aggressive tone by holding the Bundestag meeting in West Berlin because he saw the situation improving in East Germany and felt he might lose any possibility of influencing it. The SED decided at last year's party congress to match West German living standards by 1963. The socialist regime was strong in East Germany.

The Secretary

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The Secretary referred to Mikoyan's remarks about alleged Western attempts to incite turmoil in East Germany. He said that Mikoyan was quite wrong about this. The United States not only did not desire such trouble, it would not like to see it happen. This would be dangerous for all of us.

Mikoyan said the danger lay in our position and that there might be elements in West Germany taking a different view from ours. These could bring about a deterioration in US-Soviet relations in spite of ourselves.

Mikoyan said that free elections were no cure-all. The Soviet Union was not against them in principle but they were not the means of uniting Germany at present. Two German States could not be eliminated by vote -- an interim stage was necessary.

The Secretary said he wanted to talk about two other zones in which danger of war could arise. One was the Far East. There the Chinese Communists were supported by the Soviet Union in the objective that the US must be expelled by force from Taiwan and the West Pacific. Such a policy could have very serious consequences. The United States would not be expelled by force or pressure from its collective security associations in the Western Pacific and Southeast Asia. China, like Korea, Vietnam and Germany, was divided. The US was friendly with one part, the Soviet Union with the other. Unification sought by force would almost surely lead to general war. We had exerted great influence for restraint on President Rhee who wanted to unify Korea by force. On our part, we could not be expelled by force where we were present by invitation or in fulfillment of formal agreements.

Mikoyan said there was no analogy in the situations mentioned -- historically, juridically or in substance. In Germany and in Korea zones of occupation had been set up by victorious allies. In Korea troops had been withdrawn at different dates, then war had occurred -- there was no analogy with Germany. As to Mr. Rhee, the Soviets were not sure our professed restraint would always hold. North Korea was now one big reconstruction site and might be envied by South Korea. The former had no intention to fight but if South Korea started, it would fight well, as it had shown. In general it was a good idea to withdraw troops. There was a need for exchanges between the Koreans in the fields of culture and trade as a gradual means of bringing about reunification.

The division in Vietnam, according to Mikoyan, was the result of agreement reached at Geneva by all concerned.

Turning to China, Mikoyan said that the United States had been party to agreements that Taiwan should be returned to China along with the other islands. At one time it had not interfered in Chinese affairs -- a reasonable policy, useful for the United States. China would win in any case and this would be worse for the United States. After the remnants of counter-revolution had settled on Taiwan the United States had entered into a bilateral agreement and regarded Chiang Kai-shek as representing China. Treaties with him had not been accepted by the real China. No state would accept such unilateral actions. The Soviets were surprised by Chinese patience. Neither China nor the Soviet Union had ever sought to have the United States leave all the islands in the West

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and troops there, Pacific. The United States had a treaty with the Philippines, it had allies in Singapore, it had bases on Okinawa. They did not like this but were not attacking it. In general the Soviet Union wanted all foreign troops withdrawn and peaceful settlements guaranteed by the United Nations. If the United States left Okinawa, it would not be leaving the West Pacific. Since the United States did not want to leave under pressure of force, it should use the respite to leave voluntarily. It would not lose, but gain moral, political and military prestige if it broke with Chiang Kai-shek and recognized the CPR. The latter did not menace the United States, nor did the Soviet Union. The American position gave rise to more anti-Western feeling and tension in the area.

The Secretary said Mikoyan had referred to the violation of the armistice in Korea as breaking up the possibility of reunification. This is what had happened at Taiwan.

Mikoyan replied that he had been misunderstood. The Soviets did want reunification of Korea. He had made his remarks as information only and had had no specific purpose in making them.

The Secretary said the Near Eastern situation was complex and he doubted whether he and Mikoyan could agree on any of the elements in the situation. The area was vital to Western Europe as a source of oil and as a means of communication between Asia and the West. The United States had not believed that the military action by the UK, France and Israel in 1956 had been the right way to protect their interests. This attitude should not, however, be interpreted by the Soviet Union as reflecting any United States indifference to what took place there.

We were concerned about apparent efforts of International Communism to gain control of the area, particularly about its activities in Iraq. Although the Soviets had been suspicious of American and British motives in responding to the appeals of Lebanon and Jordan, our withdrawal of troops had proven that we had had no intention of working to sustain Western influence in Iraq from outside. Mikoyan said the Soviets believed, on the contrary, that that had been indeed our objective but that we had not been able to bring it about -- public opinion had prevented us. When the Secretary objected, Mikoyan said that both sides would undoubtedly retain their own ideas about this. The Secretary said he was sorry about the Soviet view -- it had been disproved by our words and deeds. As soon as a UN formula had been found, we had withdrawn our troops. He said that, on the other hand, he hoped we could feel reasonably confident the Soviet Union did not desire to extend its control in Iraq and other Arab states.

Mikoyan said the Soviets recognized the importance of the Middle East to the West as the source of Arabian oil and as the means of communication to Asia. Bulganin and Khrushchev had made this point directly. The Soviets had, on several occasions, advanced proposals for a Big Power meeting to work out common steps to prevent a further deterioration of the situation and to eliminate outside interference in the area. They had also made proposals about arms shipments.

The Secretary

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The Secretary said we had no quarrel with general principles but the area suggested in the Soviet proposals appeared too broad -- stretching from Pakistan to Morocco. Mikoyan said the Soviets had been more interested in the Arab world and in Iran and Turkey in this connection. The Secretary said he had asked Gromyko in October 1957 for clarification of Soviet thinking about the scope of the area covered by their proposals but had not gotten it from him. Mikoyan said they had been talking about the Near and Middle East -- certainly not Morocco -- the Near East was the main hotbed of tension here. They had acted on the assumption that the three Western Powers wanted to act in the area just as they pleased, without asking the Arabs and without accepting the presence or interests of the Soviet Union.

Mikoyan said the Secretary was wrong in suggesting there had been Soviet interference in Iraq. The Baghdad nations all had active intelligence services. They knew there had been no Soviet citizens involved. The Soviet leaders had not foreseen the revolution nor had they even heard of Kassem. The Secretary said he could be persuaded that the Soviet Union had played no active part in the overthrow of the Nuri Government, but he was talking about activities that had taken place since then. Mikoyan observed that if they had not interfered before the revolution it was strange to suggest that they were interfering now. They were glad that the revolution had occurred because it undermined the Baghdad Pact. But, it was not the Communist Party alone but other forces in Iraq as well who were supporting the legal government of Kassem. On the other hand, in the UAR, Nasser was arresting Communists. The Soviet Union had good relations with both countries. Its policy of non-interference was paying off for it in the Middle East. The Soviets had assured the Shah of Iran that they would not interfere in Iranian affairs, although they didn't like his regime. He had given them assurances that Iran would not engage in any military arrangements directed against the Soviet Union nor allow foreign bases to be set up on Iranian soil. However, since the split in the Baghdad Pact there had been certain developments and his policy seemed to have changed. Iran was providing military bases for the United States. We were thus interfering in the area, not they.

As to Pakistan, Mikoyan said he didn't know whether there were Communists there or not. He had had good relations with Mirza and had represented the USSR at the Constitution ceremonies. The Soviet attitude towards Ayub Khan was the same as toward the previous government. The Soviets saw no constitutional basis for his government, but this was a matter for the Pakistan people. Western policy in the Middle East was mistaken because it did not recognize that the colonial era had come to an end.

The Secretary said there had been much loose talk about the United States putting in new bases under new treaties with Turkey, Iran and Pakistan. This was not the case. The United States was engaged in fulfilling commitments already made. It had a Mutual Security Act which laid out the terms and conditions for military assistance. What has been going on has been talks about fulfilling its commitments to Turkey, Pakistan and Iran. These talks were designed to determine the measures needed to bring these commitments up to date.

Mikoyan

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Mikoyan said it would be better to bury them rather than to bring them up to date. The Secretary said that if Mikoyan saw the texts of the agreements themselves he would be reassured. Our recent commitments might result in some improvement in the military capability of Iran but in general all three countries in our view had excessive military establishments in relation to their resources and we favored greater dedication of the latter to economic development. Mikoyan said that the Soviet view was that the United States was to blame for these large military establishments and that we wanted to keep tension high in the area through this policy.

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